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TO: **Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers**

FROM: Amy Mendel-Clemens
Technical Assistance, Training & Education
Section
Bureau of Eligibility Management
Division of Health Care Financing

BEM/DWS OPERATIONS MEMO

No: 05-13

DATE: 03/11/2005

FS	<input type="checkbox"/>	MA	<input checked="" type="checkbox"/>	SC	<input checked="" type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	Other	EP	<input type="checkbox"/>	★

PRIORITY: HIGH

SUBJECT: **Trust Payments to Vendors**

CROSS REFERENCE: MEH 4.1.4.1

EFFECTIVE DATE: January 11, 2005

PURPOSE

The policy that was communicated in chapter 4.1.4.1 of the 05-01 Medicaid Eligibility Handbook (MEH) release issued on January 11, 2005 is being rescinded immediately. This policy instructed you to count payments made from trusts, directly to vendors for services provided to the trust beneficiary, as unearned income to the beneficiary.

POLICY

Effective immediately, and retroactive to January 11, 2005, we are reverting back to the trust income policy that existed prior to January 11, 2005. The pre-January 11, 2005 policy was stated as follows: **All payments (including interest and dividends) from a trust to the beneficiary are unearned income to the beneficiary. See 4.1.4.9 for instructions on counting interest.** This means you count only cash payments that are made from a trust directly to the trust beneficiary as unearned income.

Retroactive implementation of the policy conveyed in this memo, means that you will need to take appropriate corrective action for any MA applicant or recipient whose eligibility or benefits (e.g. patient liability, cost share, BadgerCare or MAPP premium) were adversely affected because a vendor payment from a trust was counted as available non-exempt income.

CONTACTS

BEM CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

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